



MEMORANDUM

To: Department Directors, Elected Officials
From: Ray Walton, Chief Operating Officer, DAS-General Services Enterprise
Date: June 24, 2008
Re: FY09 Association Fee rate increase

The DAS General Services Customer Council met on June 20 and 23, 2008, and during this meeting approved a rate increase for the FY09 Association Fee from \$3.10 per square foot to \$3.25 per square foot. This change is effective July 1, 2008, and only affects agencies that occupy space on the Capitol Complex. It does not affect the rates for the Laboratory Facility in Ankeny or any leased spaces.

We apologize for the short notice of this change, but the significant increases lately in fuel and energy prices – which are being passed along to us directly and indirectly – have necessitated action in order to continue providing the same level of facility maintenance services in FY09 that you have come to expect.

We are experiencing increases in operational supply costs, including the chemicals used to maintain the grounds and to clean facilities, paper, equipment and fuel expenses. We are also feeling the effects indirectly, as mentioned, through increased costs being passed along to us by general contractors, who perform everything from elevator and equipment repairs to performing specialized cleaning services. Another factor to the rate increase is an increase in GSE's allocation of fees related to shared services, and Auditor and Attorney General fees within DAS.

We know rate increases can be challenging for agencies to manage. We pledge our best efforts to manage the significant price increases we are receiving to the best of our ability to lessen the impact on our customers as much as possible.

Please do not hesitate to contact me at 515-281-3273 or ray.walton@iowa.gov with any questions or suggestions.